

DOGM  
MINERALS PROGRAM  
FILE COPY

For Division Use:  
File No.: \_\_\_\_\_  
Effective Date: \_\_\_\_\_  
DOGM Lead: \_\_\_\_\_

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
(801) 538-5340

RECEIVED  
JUN 26 1989

TRANSFER OF NOTICE OF INTENTION  
LARGE MINING OPERATIONS

DIVISION OF  
OIL, GAS & MINING

*Returned originals  
to Hecla 3-3-97*

---ooOoo---

1. (a) Notice of intention to be transferred (file number): M/053/004  
(b) Name of mining operation: Apex Mine  
(c) Location of mining operation (county): Washington  
(d) Name, telephone number and mailing address of the operator currently holding the notice of intention (transferor):  
St. George Mining Corporation  
P. O. Box 1892  
St. George, UT 84771
2. (a) Name, telephone number and mailing address of the operator acquiring the notice of intention (transferee):  
Hecla Mining Company  
P. O. Box 2407  
St. George, UT 84771  
(b) Name, telephone number and address of the authorized representatives of the Transferee to whom any notices under the provisions of the Utah Mined Land Reclamation Act may be sent:  
Louis H. Knight, Apex Unit Manager  
Hecla Mining Company Phone # (801) 628-1635  
P. O. Box 2407  
St. George, UT 84771
3. (a) The total disturbed area identified in the approved notice of intention: 8.1 acres  
(b) The actual number of acres disturbed by the operation through date of transfer: 7 to 8 (most of this was disturbed by previous operators prior to original permit issue in 1984 to St. George Mining Corp.)  
(c) Attach a legal description of above acreages as Appendix "A" and a map of suitable scale with actual disturbed areas clearly shown and identified.
4. This application must be accompanied by a fully executed and signed Reclamation Contract (Form MR-RC).



SWORN STATEMENT OF TRANSFEROR

I, ANTHONY J. LEW being first duly sworn under oath,  
deposes and says that I am Treasurer  
(officer or agent)  
of St. George Mining Corporation; and that I am duly authorized to  
(Corporation/Company Name)  
execute and deliver the foregoing obligations; that I have read the said  
application and fully know the contents thereof; that all statements contained  
in the transfer application are true and correct to the best of my knowledge  
and belief. By execution of this statement I certify that the Transferor is  
in full compliance with the Utah Mined Land Reclamation Act, the Rules and  
Regulations promulgated thereunder, and the terms and conditions of Notice of  
Intention No. M/053/004.

[Signature]  
Signature  
ANTHONY J. LEW  
Name (Typed or Print)  
Treasurer  
Title

Subscribed and sworn before me this 10 day of May, 1989.

[Signature]  
Notary Public

My commission ~~Expires~~:

NO EXPIRY, 19  .

Prov. State of DC )  
County of Van C. ) ss.  
)



FINAL SWORN STATEMENT OF TRANSFEREE

Ralph R. Noyes being first duly sworn under oath,  
depose and say that I am Vice President - Metal Mining  
(officer or agent)  
of Hecla Mining Company; and that I am duly authorized to  
(Corporation/Company Name)

execute and deliver the foregoing obligations; that I have read the  
application and fully understand the contents thereof; that all statements  
contained in the transfer application are true and correct to the best of my  
knowledge and belief. By execution of this statement, the Transferee agrees  
to be bound by the terms and conditions of Notice of Intention  
No. M/053/004, the Utah Mined Land Reclamation Act, and the Rules and  
Regulations promulgated thereunder.

Ralph R. Noyes  
Signature  
Ralph R. Noyes  
Name (Typed or Print)  
Vice President - Metal Mining  
Title

Subscribed and sworn before me this 9<sup>th</sup> day of May, 1989.

Anna Marie Henry  
Notary Public

My commission Expires:

June 20, 1991.  
State of Idaho )  
County of Kootenai ) ss.



CERTIFICATION OF APPROVAL

This is to certify that I have examined the foregoing application and do hereby grant the same, subject to the following limitations and conditions:

- (a) This transfer of notice of intention grants only the right to affect the lands described in Appendix "A".
- (b) The transferee has provided to the Division a fully executed and signed Reclamation Contract (Form MR-RC). The surety shall be effective on the date of transfer.
- (c) The transferee, or such other person as required by UCA 1953, Title 40-8, has acquired legal right to mine for lands described in Appendix "A".

COMMENTS:

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APPROVED: \_\_\_\_\_

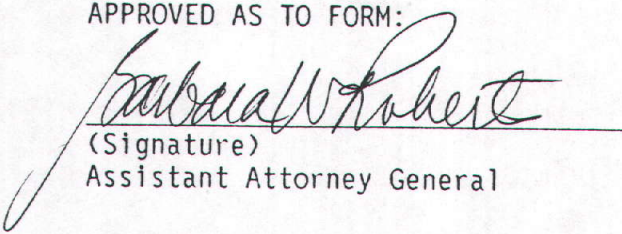
(Signature)

Director, Division of Oil, Gas and Mining

Effective Date: \_\_\_\_\_

NOI No.: \_\_\_\_\_

APPROVED AS TO FORM:

  
(Signature)

Assistant Attorney General

MN9/45-48



FORM MR-RC  
Revised 2/17/89  
RECLAMATION CONTRACT

DOGM  
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File Number M/053/004  
Effective Date \_\_\_\_\_

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
(801) 538-5340

RECEIVED  
JUN 26 1989

DIVISION OF  
OIL, GAS & MINING

RECLAMATION CONTRACT

---oo0oo---

*Replaced  
11-30-89*

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.) M/053/004  
(Mineral Mined) germanium / gallium / copper

"MINE LOCATION":

(Name of Mine) Apex Mine  
(Description) Underground mine located in sections 6,7,  
1 and 12, R 17 and 18 W, T 43 S  
Washington County, Utah

"DISTURBED AREA":

(Disturbed Acres) 7 to 8 acres  
(Legal Description) Exhibit A

"OPERATOR":

(Company or Name) Hecla Mining Company  
(Address) P. O. Box 2407  
St. George, UT 84771  
(Phone No.) (801) 628-1635



"OPERATOR'S REGISTERED AGENT":

(Name)

(Address)

(Phone No.)

Louis H. Knight, Apex Unit Manager

Hecla Mining Company

P. O. Box 2407

St. George, UT 84771

(801) 628-1635

"OPERATOR'S OFFICER(S)":

Arthur Brown, President and CEO

Ralph R. Noyes, Vice President-Metal Mining

Robert H. Wallace, Vice President-Treasurer

"SURETY":

(Form of Surety - Exhibit B)

Bond Number

"SURETY COMPANY":

(Name, Policy or Acct. No.)

Aetna Casualty and Surety Company

By

Carla Holt

Carla Holt - Attorney In Fact

"SURETY AMOUNT":

(Escalated Dollars)

\$54,329

"ESCALATION YEAR"

"STATE":

State of Utah

"DIVISION":

Division of Oil, Gas and Mining

"BOARD":

Board of Oil, Gas and Mining

EXHIBITS:

A "DISTURBED AREA":

B "SURETY":

Revision Dates:



This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Operator and the Board.

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/053/004 which has been approved by the Division under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim the Disturbed Area in accordance with Operator's approved Reclamation Plan and Operator is obligated to provide surety in form and amount approved by the Board, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Board and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the Notice of Intention, and the Reclamation Plan.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Board, which surety is in the form of the surety attached hereto as Exhibit B and made a part hereof. The surety shall remain in full force and effect according to its terms unless modified by the Board in writing.
3. Operator agrees to pay public liability and property damage claims resulting from mining as determined by the Board or the Division, to the extent provided in the Act.



4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, and the Reclamation Plan.
5. The Operators liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention and the Reclamation Plan.
6. Operator agrees to indemnify and hold harmless the State, Board and Division from any claim, demand, liability, cost charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents, and employees, or contractor to comply with this Contract.
7. Operator may, at any time, submit a request to the Board to substitute surety. The Board, in its sole judgment and discretion, may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
8. This Contract shall be governed and construed in accordance with the laws of the State.
9. If Operator shall default in the performance of the obligations heretofore, Operator agrees to pay all costs and expenses, including attorneys fees and costs generated by the Division and/or the Board in the enforcement of this Contract.



10. Any breach of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Division, or Board, as appropriate, may revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety, or take such other action as is authorized by law.
11. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this contract. Any excess monies resulting from forfeiture of the Surety, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
12. This Contract represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
13. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

SO AGREED this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

APPROVED AS TO FORM AND AMOUNT OF SURETY:

By \_\_\_\_\_  
Chairman, Board of Oil, Gas and Mining



DIVISION OF OIL, GAS AND MINING:

By \_\_\_\_\_  
Director Date

STATE OF \_\_\_\_\_ )  
 ) ss:  
COUNTY OF \_\_\_\_\_ )

On the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, personally appeared before me, who being by me duly sworn did say that he/she, the said \_\_\_\_\_ is the Director of the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah, and he/she duly acknowledged to me that he/she executed the foregoing document by authority of law on behalf of the State of Utah.

\_\_\_\_\_  
Notary Public  
Residing at: \_\_\_\_\_

\_\_\_\_\_  
My Commission Expires:



OPERATOR:

By Ralph R. Noyes VP  
Corporate Officer - Position

May 9, 1989  
Date

STATE OF Idaho )  
 )  
COUNTY OF Kootenai )

ss.

On the 9<sup>th</sup> day of May, 1989, personally  
appeared before me Ralph R. Noyes who being by  
me duly sworn did say that he/she, the said Ralph R. Noyes  
is the Vice President - Metal Mining  
of Hecla Mining Company and duly acknowledged that said  
instrument was signed on behalf of said company by authority of its  
bylaws or a resolution of its board of directors and said  
Ralph R. Noyes duly acknowledged to me that said  
company executed the same.

Anna Marie Henry  
Notary Public  
Residing at: Coeur d'Alene, Idaho

My Commission Expires: June 20, 1991



INSTITUTION:

AETNA CASUALTY & SURETY COMPANY

Surety (Company)

Carla Holt

6/14/89

Company Officer - Position  
**CARLA HOLT - ATTORNEY IN FACT**

Date

STATE OF WASHINGTON )

) ss:

COUNTY OF SPOKANE )

On the 14th day of JUNE, 19 89, personally appeared before me CARLA HOLT who being by me duly sworn did say that he/she, the said CARLA HOLT is the ATTORNEY IN FACT of AETNA CASUALTY & SURETY COMPANY and duly acknowledged that said instrument was signed on behalf of said company by authority of its bylaws or a resolution of its board of directors and said CARLA HOLT duly acknowledged to me that said company executed the same.

Linda Pope

Notary Public **LINDA POPE**

Residing at: SPOKANE, WASHINGTON

7-5-90

My Commission Expires:

NOTE: An Affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Contract.





THE AETNA CASUALTY AND SURETY COMPANY  
Hartford, Connecticut 06115

MINERALS PROGRAM  
FILE COPY

# POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL MEN BY THESE PRESENTS, THAT THE AETNA CASUALTY AND SURETY COMPANY, a corporation duly organized under the laws of the State of Connecticut, and having its principal office in the City of Hartford, County of Hartford, State of Connecticut, hath made, constituted and appointed, and does by these presents make, constitute and appoint Charles H. Steilen, James E. McTigue, Roy N. Arnold, George C. Schroeder, Lionel C. Greenwood, Linda Tichey or Carla Holt - -

of Spokane, Washington, its true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, or, if the following line be filled in, within the area there designated, the following instrument(s):  
by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any and all consents incident thereto not exceeding the sum of ONE MILLION (\$1,000,000.00) DOLLARS - -

and to bind THE AETNA CASUALTY AND SURETY COMPANY, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of THE AETNA CASUALTY AND SURETY COMPANY, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Company which Resolutions are now in full force and effect:

VOTED: That each of the following officers: Chairman, Vice Chairman, President, Any Executive Vice President, Any Senior Vice President, Any Vice President, Any Assistant Vice President, Any Secretary, Any Assistant Secretary, may from time to time appoint Resident Vice Presidents, Resident Assistant Secretaries, Attorneys-in-Fact, and Agents to act for and on behalf of the Company and may give any such appointee such authority as his certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors may at any time remove any such appointee and revoke the power and authority given him.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the Chairman, the Vice Chairman, the President, an Executive Vice President, a Senior Vice President, a Vice President, an Assistant Vice President or by a Resident Vice President, pursuant to the power prescribed in the certificate of authority of such Resident Vice President, and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary or by a Resident Assistant Secretary, pursuant to the power prescribed in the certificate of authority of such Resident Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact pursuant to the power prescribed in his or their certificate or certificates of authority.

This Power of Attorney and Certificate of Authority is signed and sealed by facsimile under and by authority of the following Standing Resolution voted by the Board of Directors of THE AETNA CASUALTY AND SURETY COMPANY which Resolution is now in full force and effect:

VOTED: That the signature of each of the following officers: Chairman, Vice Chairman, President, Any Executive Vice President, Any Senior Vice President, Any Vice President, Any Assistant Vice President, Any Secretary, Any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, THE AETNA CASUALTY AND SURETY COMPANY has caused this instrument to be signed by its Assistant Vice President, and its corporate seal to be hereto affixed this 23rd day of August, 1988

State of Connecticut }  
County of Hartford } ss. Hartford



THE AETNA CASUALTY AND SURETY COMPANY  
By Joseph P. Kiernan  
Joseph P. Kiernan  
Assistant Vice President

On this 23rd day of August, 1988, before me personally came JOSEPH P. KIERNAN, Assistant Vice President of THE AETNA CASUALTY AND SURETY COMPANY, the corporation described in and which executed the above instrument; that he/she knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; and that he/she executed the said instrument on behalf of the corporation by authority of his/her office under the Standing Resolutions thereof.



George A. Perry, Jr.  
My commission expires March 31, 1991  
George A. Perry, Jr., Notary Public

## CERTIFICATE

I, the undersigned, Secretary of THE AETNA CASUALTY AND SURETY COMPANY, a stock corporation of the State of Connecticut, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney and Certificate of Authority remains in full force and has not been revoked; and furthermore, that the Standing Resolutions of the Board of Directors, as set forth in the Certificate of Authority, are now in force.

Signed and Sealed at the Home Office of the Company, in the City of Hartford, State of Connecticut. Dated this 14th day of June, 1989



By John W. Welch  
John W. Welch, Secretary



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#### Appendix A

The Apex mine disturbed surface area lies entirely within the Southwest 1/4 of the Southwest 1/4 of section 6, Township 43 South, Range 17 West, and the Southeast 1/4 of the Southeast 1/4 of section 1, Township 43 South, Range 18 West, Washington County, Utah